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BEFORE THE ARIZONA CORPORATION COMMISSION  
Arizona Corporation Commission

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COMMISSIONERS

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JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY	
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IN THE MATTER OF THE APPLICATION OF  
SOUTHWEST GAS CORPORATION FOR THE  
ESTABLISHMENT OF JUST AND REASONABLE  
RATES AND CHARGES DESIGNED TO  
REALIZE A REASONABLE RATE OF RETURN  
ON THE FAIR VALUE OF THE PROPERTIES OF  
SOUTHWEST GAS CORPORATION DEVOTED  
TO ITS OPERATIONS THROUGHOUT THE  
STATE OF ARIZONA.

DOCKET NO. G-01551A-04-0876

PROCEDURAL ORDER

**BY THE COMMISSION:**

On December 9, 2004, Southwest Gas ("Southwest or "Company") filed an application with the Arizona Corporation Commission ("Commission") for an increase in its rates throughout the State of Arizona.

On January 3, 2005, the Residential Utility Consumer Office ("RUCO") filed an Application to Intervene.

On January 5, 2005, the Arizona Utility Investors Association, Inc. ("AUIA") filed an Application to Intervene.

On January 7, 2005, the Commission's Utilities Division ("Staff") filed a Letter of Insufficiency.

On January 26, 2005, Staff filed a Letter of Sufficiency indicating that Southwest's application met the sufficiency requirements outlined in A.A.C. R14-2-103, and classifying the Company as a Class A utility.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the requests to intervene by RUCO and AUIA are hereby granted.

IT IS FURTHER ORDERED that the hearing in the above-captioned matter shall commence

1 on **October 3, 2005, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices,  
2 1200 West Washington Street, Arizona 85007.

3 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on **September 26,**  
4 **2005**, at 10:00 a.m., at the Commission's offices, for the purpose of scheduling witnesses and the  
5 conduct of the hearing.

6 IT IS FURTHER ORDERED that the Staff Report and/or any direct testimony and associated  
7 exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before  
8 **July 8, 2005**.

9 IT IS FURTHER ORDERED that any direct testimony and associated exhibits to be presented  
10 at hearing on behalf of intervenors shall be reduced to writing and filed on or before **July 8, 2005**.

11 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be  
12 presented at hearing by the Company shall be reduced to writing and filed on or before **August 5,**  
13 **2005**.

14 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be  
15 presented by the Staff or intervenors shall be reduced to writing and filed on or before **August 26,**  
16 **2005**.

17 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be  
18 presented at the hearing on behalf of the Company shall be reduced to writing and filed on or before  
19 **September 9, 2005**.

20 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**  
21 **filing is due, unless otherwise indicated.**

22 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have  
23 been prefiled as of September 26, 2005, shall be made before or at the September 26, 2005 pre-  
24 hearing conference.

25 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents listing  
26 the issues discussed.

27 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to  
28 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is

1 scheduled to testify.

2 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the  
3 pre-filed testimony of each of their witnesses and shall file each summary at least two working days  
4 before the witness is scheduled to testify.

5 IT IS FURTHER ORDERED that copies of summaries shall be served upon the  
6 Administrative Law Judge, the Commissioners, the Commissioners' aides, and the parties of record.

7 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
8 except that all motions to intervene must be filed on or before July 5, 2005.

9 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
10 regulations of the Commission, except that: any objection to discovery requests shall be made within  
11 7 days<sup>1</sup> of receipt and responses to discovery requests shall be made within 10 days of receipt; the  
12 response time may be extended by mutual agreement of the parties involved if the request requires an  
13 extensive compilation effort. No discovery requests shall be served after September 26, 2005.

14 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
15 discovery, any party seeking discovery may telephonically contact the Commission's Hearing  
16 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a  
17 request, a procedural hearing will be convened as soon as practicable; and that the party making such  
18 a request shall contact all other parties to advise them of the hearing date and shall at the procedural  
19 hearing provide a statement confirming that the other parties were contacted.<sup>2</sup>

20 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by  
21 the Commission within 10 days of the filing date of the motion shall be deemed denied.

22 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of  
23 the filing date of the motion.

24 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date  
25 of the response.

26 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in

27 <sup>1</sup> "Days" means calendar days.

28 <sup>2</sup> The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

1 this matter, in the following form and style, with the heading in no less than 24 point bold type and  
2 the body in no less than 10 point regular type:

3 **PUBLIC NOTICE OF HEARING ON THE APPLICATION**  
4 **FOR RATE INCREASE OF SOUTHWEST GAS CORPORATION**  
5 **DOCKET NO. G-01551A-04-0876**

6 On December 9, 2004, Southwest Gas Corporation ("Company") filed an application  
7 with the Arizona Corporation Commission ("Commission") for a 10.4 percent increase  
8 (\$70.8 million) over adjusted test year revenues in the State of Arizona. The actual  
9 percentage rate increase for individual customers will vary depending on the type and  
10 quantity of service provided. Copies of the application and proposed tariffs are  
11 available at the Company's offices [insert address and telephone number] and the  
12 Commission's offices at 1200 West Washington, Phoenix, Arizona, for public  
13 inspection during regular business hours.

14 The Commission will hold a hearing on this matter beginning **October 3, 2005, at  
15 10:00 a.m.**, at the Commission's offices, 1200 West Washington, Phoenix, Arizona.  
16 Public comments will be taken on the first day of the hearing. Written public  
17 comments may be submitted via e-mail (visit  
18 <http://www.cc.state.az.us/utility/cons/index.htm> for instructions), or by mailing a letter  
19 referencing Docket No. G-01551A-04-0876 to: Arizona Corporation Commission,  
20 Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you have  
21 any questions about this application, you may also contact the Consumer Services  
22 Section of the Commission by calling 1-800-222-7000.

23 The law provides for an open public hearing at which, under appropriate  
24 circumstances, interested parties may intervene. Intervention shall be permitted to any  
25 person entitled by law to intervene and having a direct and substantial interest in the  
26 matter. Persons desiring to intervene must file a written motion to intervene with the  
27 Commission, which motion must be sent to the Company or its counsel and to all  
28 parties of record, and must contain the following:

- 19 1. The name, address, and telephone number of the proposed intervenor  
20 and of any party upon whom service of documents is to be made if  
21 different from the intervenor.
- 22 2. A short statement of the proposed intervenor's interest in the  
23 proceeding (e.g., a customer of the Company, a shareholder of the  
24 Company, etc.).
- 25 3. A statement certifying that a copy of the motion to intervene has been  
26 mailed to the Company or its counsel and to all parties of record in the  
27 case.

28 The granting of intervention, among other things, entitles a party to present sworn  
evidence at the hearing and to cross-examine other witnesses. The granting of  
motions to intervene shall be governed by A.A.C. R14-13-105, except that **all motions  
to intervene must be filed on or before July 5, 2005.** For information about  
requesting intervention, visit the Arizona Corporation Commission's webpage at  
<http://www.cc.state.az.us/utility/cons/index.htm>. However, failure to intervene will  
not preclude any interested person or entity from appearing at the hearing and

1 providing public comment on the application or from filing written comments in the  
2 record of the case.

3 The Commission does not discriminate on the basis of disability in admission to its  
4 public meetings. Persons with a disability may request a reasonable accommodation  
5 such as a sign language interpreter, as well as request this document in an alternative  
6 format, by contacting the ADA Coordinator, Linda Hogan, at  
7 LHogan@admin.cc.state.az.us, voice phone number 602/542-3931. Requests should  
8 be made as early as possible to allow time to arrange the accommodation.

9 IT IS FURTHER ORDERED that the Company shall mail to each of its customers a copy of  
10 the above notice as a bill insert beginning with the first billing cycle in March 2005, and shall cause  
11 the above notice to be published at least once in a newspaper of general circulation in all of its service  
12 territories, with publication to be completed no later than April 4, 2005.

13 IT IS FURTHER ORDERED that the Company shall file certification of mailing/publication  
14 as soon as practical after the mailing/publication has been completed.

15 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication  
16 of same, notwithstanding the failure of an individual customer to read or receive the notice.

17 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
18 Communications) applies to this proceeding as the matter is now set for public hearing.

19 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the  
20 Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

21 IT IS FURTHER ORDERED that withdrawal of representation must be made in  
22 compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under  
23 Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission  
24 includes the obligation to appear at all hearings and procedural conferences, as well as all Open  
25 Meetings for which the matter is scheduled for discussion, unless counsel has previously been  
26 granted permission to withdraw by the Administrative Law Judge.

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28 ...

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IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

Dated this 7<sup>th</sup> day of February, 2005



DWIGHT D. NODES  
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

The foregoing was mailed/delivered this 7<sup>th</sup> day of January, 2005 to:

Andrew W. Bettwy  
Karen S. Haller  
SOUTHWEST GAS CORPORATION  
5241 Spring Mountain Road  
Las Vegas, NV 89102

Christopher Kempley, Chief Counsel  
Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, AZ 85007

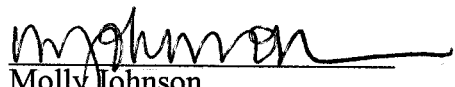
David L. Diebel  
City Attorney's Office  
Civil Division  
City Gall Tower, 7<sup>th</sup> Floor West  
255 W. Alameda Street  
Tucson, AZ 85701

Ernest G. Johnson, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, AZ 85007

Scott S. Wakefield  
RUCO  
1110 West Washington, Ste. 220  
Phoenix, AZ 85007

ARIZONA REPORTING SERVICE  
2627 N. Third Street, Ste. Three  
Phoenix, AZ 85004-1003

Walter W. Meek  
AUIA  
2100 N. Central Avenue, Ste. 210  
Phoenix, AZ 85004

By:   
Molly Johnson  
Secretary to Dwight D. Nodes